

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 97-793

July 20, 1998

SEARSPORT WATER DISTRICT
Proposed Rate Increase

ORDER (Part 1)

WELCH, Chairman; NUGENT, Commissioner

Under Title 35-A M.R.S.A. § 6104, the Commission must render a decision on a water utility's proposed rates within 9 months of filing or the proposed rates become effective. In this case, the Searsport Water District filed its proposed increase in rates on October 20, 1997; our decision deadline is, therefore, July 20, 1998. Under Section 1003 of our Rules of Practice and Procedure, the Commission may issue its order in two or more parts if necessary to meet statutory time constraints. Given the statutory decision deadline in this matter, it is necessary to issue our final order in two parts. This Order provides the substance of our decisions regarding the District's requested rate increase. A subsequent order will explain our reasoning in greater detail.

Accordingly, we

O R D E R

1. That the Searsport Water District's annual revenue requirement is \$536,962.00;

2. That the Searsport Water District shall develop a plan to use the proceeds and interest income from the Stockton Springs fire protection buy-out in gradually reduced amounts over a 12-year period;

3. That the Searsport Water District shall increase rates to all its customers to recover any revenue deficiency due to the buy-out (remaining after application of the buy-out proceeds and interest income) in the same proportions as those customers contributed to the District's revenues before the buy-out occurred. Accordingly, the Town of Searsport's public fire protection charge shall be \$109,020 plus 22.64% of any revenue deficiency due to the buy-out remaining after application of buy-out proceeds and interest income;

4. That the Searsport Water District's proposals to adopt a 600 cubic foot minimum allowance and eliminate its declining

block rate structure are not approved. Any revenue deficiency from metered customers due to both the buy-out and reduced consumption (remaining after application of the buy-out proceeds and interest income) shall be recovered through an across-the-board rate increase to those customers;

5. That the Searsport Water District shall implement an aggressive leak detection program and file reports on that program with the Commission until the unaccounted-for water rate is reduced to below 15%; and

6. That the Searsport Water District shall file amended rates in compliance with this Order.

Dated at Augusta, Maine this 20th day of July, 1998.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
 Nugent

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320 (1)-(4) and the Maine Rules of Civil Procedure, Rule 73 et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320 (5).

Note:The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.